

The Assessment of the Relationship between Organizational Culture and Transformational Leadership Model in Ilam Hospitals, Iran

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Abstract

The present study was conducted to assess the relationship between organizational culture and transformational leadership model in Ilam city hospitals, Iran. The research has an applied purpose and the research method is a descriptive survey. Three hypotheses were formulated: The population included all the directors, employees and supervisors of the various units of hospitals in Ilam, totally 190 people (N=190). Sample size was found to be 127 through Cochran formula. The Results indicated that there was a positive significant relationship between group culture and developmental culture to transformational leadership in Ilam hospitals, whereas there was not any significant relationship between hierarchical culture and transformational leadership.

Keywords: organizational culture, transformational leadership model, Ilam University of Medical Sciences

Introduction

Nowadays, organizations are faced with major challenges leading many of them to restructuring, reengineering and downsizing. Organizations are getting more complicated and managers encounter several problems which seeks flexibility to resolve. In many organizations, there are different basic beliefs, thoughts and values among members, which pose difficulties on employees' commitment and lead to low performance, absence and quitting the job. Also researches ratifies that organizational culture is one of the most important leverages to promote the senior managers (Viing & Bin, 2009). Hence, the existence of an organizational culture model is considered vital to make a successful organization. Therefore, in this paper we review the concepts of organizational culture and transformational leadership, providing a conceptual framework of organizational culture effect on transformational leadership.

The Definition of the Organizational Culture

Organizational culture is a set of shared concepts which include the value system of dominant forms, and make the organization different from other organizations. In fact, it is the factor which determines the ways of doing things and the atmosphere which any newcomer understands in the organization. This culture is so strong that penetrates into persons' subconscious, conditioning his/her organizational behaviors and beliefs. Culture is not born with people but it is set of things produced by human including spiritual and material things and is set down from generation to generation, and is not grasped by a generation by itself (Ahmadi, 2005).

No organization exists in a vacuum. Organizations live in the environment, and they are affected by it and affect it. The interaction depends deeply on employees' organizational culture. This stems from the culture, the people and the country in which organizations have influence and are institutionalized (Fennary, 2006).

Functions of Organizational Culture

In an organization, culture plays a different function. In order to understand how these functions are performed, important properties of these functions are described briefly:

1. It gives employees organizational identity. What makes an outstanding organization is its ability to attract, nurture and retain talented individuals (Toosi, 1994). Robbins in his book "Organizational Behavior Management, points out that culture determines organizational boundaries, in other words, it divides the organizations and makes sense of identity as a members of organization (Robbins, 1996)

2. It facilitates group commitment. Commitment can be defined as psychological bonds that sense of being busy with work; loyalty and belief in organizational values are within it, because job reward serves higher than current norms and internal managers enjoy much freer rewards.

3. It improves the stability of social system, because employees through job security create the future of the environment that encourages unusual commitment to hard work and rigorous regulatory compliance for organizations (Toosi, 1994).

Culture is considered as a social bond which provides appropriate standards (in relation to what members say or do), connecting the components (Mahmudi, 2010).

4. Culture helps members to understand their jobs and form them. So, elites could find full time jobs from the lowest place and by help of the experienced employees get familiar with the basic rules of organization. Also, culture creates unison and growth in a way that it shows people how to communicate with each other (Ebrahimi, 2010).

5. Organizational culture affects managers' performance and duties, and it limits the management works to command what to do or not to do. Managers' functions must be approved by the organization's culture; otherwise, it would not be consistent with values of the majority of the members.

6. Culture is as a control factor which shapes the behavior and attitudes of employees. So it makes the adequacy and appropriateness of an organization with organizational culture and individual attitudes and behavior that make a person becomes a member of the organization (Robbins, 1996).

7. Culture helps organizations to adapt with the external environmental factors (Alvani, 2003).

By the beginning of the 1980s, organizational culture was started to be researched. Interest to do further research on organizational culture is derived from a variety of factors: First, the beginning of 1980s is the decade of globalization of organizations and businesses, while coordination among employees of organizations was on the top news. Secondly, in this decade, it became clear that different levels of performance can be attributed to the type of organizational culture. Third, organizational culture was regarded as the resource to make stable competitive advantage since; some cultures are not easy to be imitated by the rivals. Also, we can mention the economic and industrial power of Japan versus United States as another factor which researchers believe creates differences due to cultural significant differences between the two countries (Queen & Cameron, 2008).

However, there is no consensus on the concept of culture among various scientific disciplines with organizational perspective; culture is interpreted as a strong chain organization which provides organizational stability (Kurt & Chermak, 2007). Theorists and scholars of organization and management, particularly the organizational behavior experts, have concentrated on an intangible and abstract proposal; in fact, if lack of attention to organizational culture, beliefs and values among people at least make major problems and difficulties in organizations' process, so it consumes and wastes more potential to resolve them due the predicted goals encountered in the current organization culture.

According to evidence, organizational culture is a complex phenomenon that still plays an important role in accelerating progress and change. So, as long as organizations are not aware of

their organizational culture and its dimensions and indicators, they will encounter many problems such as organizational conflict, organizational incoherence and low performance. Therefore, the identification of culture helps managers to get the best image of the atmosphere and awareness of its strengths and the weaknesses of the measures and steps to anticipate (Faany et al., 2011).

Approaches on the Organizational Culture

There are many definitions about organizational culture, but here are some general definitions. Some scholars and experts have focused on organizational culture and values. Organizational culture represents the common perception of organization members affected by it. In every organization, there are values, symbols, ceremonies and legends which are permanently changing. These common values determine how the employees understand the world and respond to it (Robbins, 2005).

The core of organizational culture is the values which the members have in common and forms the inter-organizational behaviors. Culture is a set of key values accepted by the organization members (Suyi et al., 2006).

Some scholars have focused on other intangible and unrecorded sections in organization, so they consider culture as a legitimate phenomenon which is taught to new members and shows the intangible and unrecorded part of the organization (Hdizadehet al., 2005). And finally some have mentioned environmental factors. Edgar Schein believes that culture is a pattern of fundamental theories which are grasped, created and developed within the external compatibility experiences and the internal unity by a specified group (Schermerhorn, 2009). The philosophy guides the policy to organization and customers (Alvani, 2005). Moreover, some consider culture as the miniaturized culture of the society, and an internal shape of the economic, industrial and guild organizations (Bidokhti, 2012).

Transformational Leadership

Burns (1978) first proposed the term "transformational leadership" in political sciences, however, Bass (1985) was the one who made it up through his researches and designated it in organization managements (Elkins, 2003).

Bass believes that a transformational leader is a person who encourages his followers to accomplish something more than what they are expected to (Bass, 1987). Burns believes that transformational leadership is a process in which the leader and the followers propel each other to the highest level of morals and motives (Burns, 1978). In spite of the traditional leadership theories, mainly concentrated on logical procedures, transformational leadership focuses on sentimental issues and values (xenikou, 2006). Transformational leadership seeks to connect personal and group interests in order to let the employees make effort for the prominent goals. So, this is the way transformational leaders unite their followers to change their goals and beliefs. They do not consider them as the static values and viewpoints but they look for change and transformation in line with the organizations' goals and missions and suitable environmental conditions (Humphreys, 2003).

According to Bass, the transformational behaviors are classified into four groups: charisma or spiritual attraction, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1977). The first element in transformational leadership is charisma, which includes the perspective and cognitive sense of mission, inducing pride and honor from the group and obtaining respect and confidence (Klein, 1995).

Inducing pride and honor requires conveying the importance of organizations' mission, so the leader must give the followers energy and capability. Intellectual stimulation includes intellectual improvement, reasonability, logical thought, and understanding the problem and trying to resolve it. The leader who applies Intellectual stimulus, tries to present new solutions to solve the older ones, encourages to reformulating the problems and mental curiosity (Shin, 2003).

Individual consideration is about employee improvement which requires paying attention to employees' needs, showing sympathy and appreciation, supporting their ideas and viewpoints. Therefore, as mentioned above, transformational leadership is stimulus, logical, prominent and moral (Harris, 2006).

Bass (1987) declared that transformational leadership leads to unexpected performance in the organization. Moreover, some tentative researches confirmed that there is a significant relationship between transformational leadership, employees' commitment (Barling, 2001), Low levels of job stress, job satisfaction (Howell, 2005), the leader behavior satisfaction (Martin, 1985), creativity (Shin, 2003), Emotional intelligence (Barling, 2001), leader-follower interactions (Wang, 2005). The efficiency level of transformational leadership depends on management levels, work environments and national culture (Xenikou, 2006).

Research Hypothesis

1. There is a significant relationship between group culture and transformational leadership.
2. There is a significant relationship between group culture and developmental culture.
3. There is a significant relationship between group culture and hierarchical culture.

Materials and Methods

In terms of methodology, this study is descriptive-analytical because it describes the events as they are. We applied a set of descriptive data and statistics to survey the variables and to survey the relationships between them inferential and analytical approach is used. Research conceptual and theoretical literature basics were collected using the library approach and Persian and non-Persian sources. Then, we prepared a questionnaire to gather information. The sample population in this study included all of the directors, employees and supervisors of Ilam city hospitals which included 190 patients. The sample size was 127 using Cochran formula.

Table1. Test sample on demographic variable viewpoint

Demographic variables	Frequency	Level	Percentage
gender	87	Male	68.5
	40	Female	31.5
age	31	20-30	24.4
	39	30-40	30.7
	30	40-50	23.62
	27	More than 50	21.28
work experience	47	Under 10 years	37
	42	10-20	33.07
	38	More than 20 years	29.93

Results and conclusion

The findings and results of the present study, which surveyed the effect of organizational culture on transformational leadership model, indicated that, as it is confirmed in the literature, different types of cultures affected leadership style in the organization. Generally, organizational culture plays an important role in organization because it forms the beliefs and values to obey one special leadership model. The results expresses group culture could establish a proper situation to

make transformational leadership model. As for developmental culture, the results confirmed a positive effect of culture on transformational leadership. Since developmental culture concentrates more on employees' entrepreneurship behaviors, innovation commitments and organizational risks and developments, so it provides a better ground for performing transformational leadership model in the organization. According to the collected data and the results, the effect of hierarchical culture of the organization on transformational leadership is negative for, this type of culture stresses on efficiency, formality, concentration and lack of flexibility, thus it could not provide a situation to utilize transformational leadership.

Table 2. Results of structured equations analysis

Standard Deviation	Dependent Variable	Independent variable	t	Result
64%	leadership transformational	group culture	7.62	rejected
81%	Transformational leadership	developmental culture	8.84	rejected
24%	transformational leadership	hierarchical culture	3.12	Rejected

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